

**REVENUE DEPARTMENT[701]**

**Adopted and Filed**

Pursuant to the authority of Iowa Code section 421.7(6), the Department of Revenue hereby amends Chapter 10, "Interest, Penalty, Exceptions to Penalty, and Jeopardy Assessments," Iowa Administrative Code.

Iowa Code section 421.7 requires the Director of Revenue to determine the interest rate for each calendar year. The Director has determined that the rate of interest on interest-bearing taxes arising under Iowa Code Title XVI shall be 5 percent for the calendar year 2010 (0.4 percent per month). The Department will also pay interest at the 5 percent rate on refunds.

Notice of Intended Action was published in IAB Volume XXXII, Number 12, pages 1456 and 1457, on December 2, 2009, as **ARC 8354B**. This amendment is identical to that published under Notice of Intended Action.

This amendment will become effective March 31, 2010, after filing with the Administrative Rules Coordinator and publication in the Iowa Administrative Bulletin.

This amendment is intended to implement Iowa Code section 421.7.

The following amendment is adopted.

Adopt the following new subrule 10.2(29):

**10.2(29)** *Calendar year 2010*. The interest rate upon all unpaid taxes which are due as of January 1, 2010, will be 5 percent per annum (0.4% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2010. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2010. This interest rate of 5 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2010.

[Filed 2/5/10, effective 3/31/10]

[Published 2/24/10]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 2/24/10.